

*Financial Statements of*

**CANADIAN FOODGRAINS BANK  
ASSOCIATION INC.**

*March 31, 2024*

## Independent Auditor's Report

To the Members of  
Canadian Foodgrains Bank Association Inc.

### Opinion

We have audited the financial statements of Canadian Foodgrains Bank Association Inc. (the "Association"), which comprise the statement of financial position as at March 31, 2024, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Association as at March 31, 2024, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO").

### Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Association in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with ASNPO, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association's financial reporting process.

## Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

*Deloitte LLP*

Chartered Professional Accountants

June 12, 2024

Winnipeg, Manitoba

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**CANADIAN FOODGRAINS BANK ASSOCIATION INC.****Statement of Operations**

Year ended March 31, 2024

	<u>2024</u>	<u>2023</u>
REVENUES		
Cash and other donations	\$ 18,882,284	\$ 21,656,055
Transfers from members	11,307,026	11,953,985
Global Affairs Canada (GAC)		
Institutional support 2021 - 2024	29,748,733	25,727,432
Humanitarian, early recovery and development grant (HERD)	4,063,138	7,869,350
Hunger crisis response	4,469,809	9,153,449
Nature positive food systems	8,711,217	-
Other Grants		
Humanitarian Coalition	3,734,895	2,871,332
Norwegian development fund grant (SCASI)	1,511,817	858,011
Foundation grants	484,915	723,413
Membership fees	90,000	90,000
Investment income (Note 12)	2,007,792	1,238,181
Other	138,297	59,732
	<u>85,149,923</u>	<u>82,200,940</u>
EXPENSES		
International programs		
Food assistance	43,693,971	54,691,487
Nutrition	2,573,582	3,264,781
Agriculture and livelihoods	25,896,180	14,395,870
Other	2,114,437	1,760,057
	<u>74,278,170</u>	<u>74,112,195</u>
International program management (Sch 2)	3,282,648	2,290,931
Public policy (Sch 3)	810,642	883,761
Public engagement (Sch 4)	372,284	209,427
Resource gathering and communications (Sch 5)	2,060,210	1,954,986
Administration (Sch 6)	2,423,369	1,892,173
	<u>83,227,323</u>	<u>81,343,473</u>
EXCESS OF REVENUE OVER EXPENSES	1,922,600	857,467
OTHER INCOME (EXPENSES)		
Unrealized gain on investments	631,844	76,740
Foreign exchange gain	1,047	12,745
(Loss) gain on disposal of capital assets and land	(1,183)	113
	<u>631,708</u>	<u>89,598</u>
OPERATING SURPLUS	<u>\$ 2,554,308</u>	<u>\$ 947,065</u>

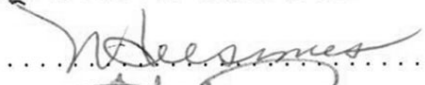
**CANADIAN FOODGRAINS BANK ASSOCIATION INC.**

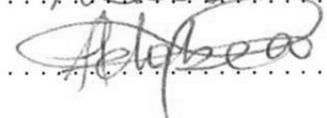
**Statement of Financial Position**

March 31, 2024

	2024	2023
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 56,263,424	\$ 58,984,305
Short-term investments (Note 4)	11,514,801	14,330,769
Accounts receivable	441,974	435,434
Prepaid expenses	197,277	233,459
	<b>68,417,476</b>	<b>73,983,967</b>
LAND (Note 5)	2,797,620	2,741,233
INVESTMENTS (Note 4)	7,711,755	4,360,978
CAPITAL ASSETS (Note 6)	157,788	149,486
	<b>\$ 79,084,639</b>	<b>\$ 81,235,664</b>
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities (Note 7)	\$ 7,896,993	\$ 5,710,845
Deferred contributions (Note 8)	16,205,636	23,097,117
	<b>24,102,629</b>	<b>28,807,962</b>
COMMITMENTS (Note 9)		
NET ASSETS		
Internally restricted (Note 11)		
Member funds	33,269,913	31,776,565
General fund	7,218,919	6,837,231
Food security fund	124,448	176,733
Climate adaptation fund	84,808	49,785
Strategic reserve	2,789,416	2,789,416
Land reserves	2,797,620	2,741,233
	<b>46,285,124</b>	<b>44,370,963</b>
Invested in capital assets	157,788	149,486
Unrestricted operating reserve	8,539,098	7,907,253
	<b>54,982,010</b>	<b>52,427,702</b>
	<b>\$ 79,084,639</b>	<b>\$ 81,235,664</b>

APPROVED BY THE BOARD

.....  Director

.....  Director

**CANADIAN FOODGRAINS BANK ASSOCIATION INC.**

**Statement of Changes in Net Assets**

**Year ended March 31, 2024**

Year ended March 31, 2024	Internally restricted (Note 11)							Invested in Capital Assets	Unrestricted Operating Reserve	2024 Total
	Member Funds	General Fund	Food Security Fund	Climate Adaptation Fund	Strategic Reserve	Land Reserves	Total			
Balance, beginning of year	\$ 31,776,565	\$ 6,837,231	\$ 176,733	\$ 49,785	\$ 2,789,416	\$ 2,741,233	\$ 44,370,963	\$ 149,486	\$ 7,907,253	\$ 52,427,702
Operating surplus (deficit)	(5,616,717)	9,578,488	-	36,938	-	-	3,998,709	-	(1,444,401)	2,554,308
Fund transfers:										
Member equity transfers	7,057,780	(9,196,800)	-	(1,915)	-	-	(2,140,935)	8,302	2,132,633	-
Investment in land	-	-	-	-	-	56,387	56,387	-	(56,387)	-
Food security transfers	52,285	-	(52,285)	-	-	-	-	-	-	-
Balance, end of year	\$ 33,269,913	\$ 7,218,919	\$ 124,448	\$ 84,808	\$ 2,789,416	\$ 2,797,620	\$ 46,285,124	\$ 157,788	\$ 8,539,098	\$ 54,982,010

Year ended March 31, 2023	Internally restricted (Note 11)							Invested in Capital Assets	Unrestricted	2023 Total
	Member Funds	General Fund	Food Security Fund	Climate Adaptation Fund	Strategic Reserve	Land Reserves	Total			
Balance, beginning of year	\$ 29,648,806	\$ 8,206,415	\$ 76,081	\$ 54,240	\$ 2,789,416	\$ 2,741,233	\$ 43,516,191	\$ 133,939	\$ 7,830,507	\$ 51,480,637
Operating surplus (deficit)	(7,895,061)	10,631,500	-	51,624	-	-	2,788,063	-	(1,840,998)	947,065
Fund transfers:										
Member equity transfers	10,123,472	(12,000,684)	-	(56,079)	-	-	(1,933,291)	15,547	1,917,744	-
Food security transfers	(100,652)	-	100,652	-	-	-	-	-	-	-
Balance, end of year	\$ 31,776,565	\$ 6,837,231	\$ 176,733	\$ 49,785	\$ 2,789,416	\$ 2,741,233	\$ 44,370,963	\$ 149,486	\$ 7,907,253	\$ 52,427,702

**CANADIAN FOODGRAINS BANK ASSOCIATION INC.****Statement of Cash Flows****Year ended March 31, 2024**

	<u>2024</u>	<u>2023</u>
<b>OPERATING ACTIVITIES</b>		
Operating surplus	\$ 2,554,308	\$ 947,065
Items not affecting cash		
Amortization of capital assets	113,109	86,453
Loss (gain) on disposal of capital assets and land	1,183	(113)
Land donations	(56,387)	-
Unrealized gains on investments	(631,844)	(76,740)
Interest accrued on investments	(412,161)	(404,245)
Recognition of deferred contributions	(52,724,524)	(47,202,987)
	<b>(51,156,316)</b>	<b>(46,650,567)</b>
Changes in non-cash operating working capital items		
Accounts receivable	405,621	138,327
Prepaid expenses	36,182	(146,620)
Accounts payable and accrued liabilities	2,186,148	2,549,957
Deferred contributions received	45,833,043	50,596,347
	<b>(2,695,322)</b>	<b>6,487,444</b>
<b>INVESTING ACTIVITIES</b>		
Maturity of investments	16,223,477	16,082,856
Purchase of investments	(16,126,442)	(13,621,747)
Proceeds on disposal of capital assets	-	24
Purchase of capital assets	(122,594)	(101,906)
	<b>(25,559)</b>	<b>2,359,227</b>
<b>NET (DECREASE) INCREASE IN CASH POSITION</b>	<b>(2,720,881)</b>	<b>8,846,671</b>
<b>CASH, BEGINNING OF YEAR</b>	<b>58,984,305</b>	<b>50,137,634</b>
<b>CASH, END OF YEAR</b>	<b>\$ 56,263,424</b>	<b>\$ 58,984,305</b>



# CANADIAN FOODGRAINS BANK ASSOCIATION INC.

## Notes to the Financial Statements

March 31, 2024

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### 1. NATURE OF BUSINESS

The Canadian Foodgrains Bank Association Inc. (the “Association”) is a not-for-profit organization without share capital, incorporated under the laws of Canada and is registered with Canada Revenue Agency as a charitable organization under registration number 11883 1106 RR0001. The Association’s principal activity is providing resources for relief and development activities in developing countries.

### 2. OPERATIONS

The Association has operated its program for a number of years with a series of grant agreements with Global Affairs Canada (“GAC”), the terms usually varying between one and five years. The Association signed an institutional support agreement in June 2021 for a period of 3 years totaling \$75 million. This grant expired on March 31, 2024. Subsequent to year end, in June 2024 the Association signed a new institutional support agreement for 4 years through to March 31, 2028 totaling \$100 million.

In March 2021, the Association received a new GAC grant for \$10 million for humanitarian, early recovery and development activities to address the impact of COVID-19 related food insecurity amongst vulnerable populations in Sub-Saharan Africa. The term of the agreement is scheduled to end on September 30, 2022. In December 2021, the Association signed an amending agreement for an additional \$10 million in support of humanitarian, early recovery and development activities. This grant expired on December 31, 2023.

In January 2022, the Association entered into a grant agreement for NOK \$29.7 million equivalent to \$3.7 million CAD with the Norwegian Agency for Development Fund for Scaling Conservation Agriculture-based Sustainable Intensification in Ethiopia (SCASI). The project will be implemented over 3 years and is scheduled to expire on December 31, 2024.

In October 2022, the Association received a new GAC grant for \$14 million to address acute food insecurity amongst vulnerable populations in the Horn of Africa. This grant expired on March 31, 2024.

In March 2023, the Association received a new GAC agreement for \$35.6 million to support Nature Positive Food Systems for Climate Change Adaptation. The objective is to reduce the vulnerability to climate change and enhance climate resilient livelihoods in targeted landscapes of East and Southern Africa. This agreement is scheduled to expire on March 31, 2026.

**CANADIAN FOODGRAINS BANK ASSOCIATION INC.**  
**Notes to the Financial Statements**  
**March 31, 2024**

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**3. SIGNIFICANT ACCOUNTING POLICIES**

The financial statements have been prepared in accordance with accounting standards for not-for-profit organizations using fund accounting and include the following significant accounting policies:

*a) Revenue recognition*

The Association follows the deferral method of accounting for contributions.

Cash and other donations are recorded as they are received. These amounts include donations received directly from contributors and donations received by the member organizations and forwarded to the Association.

GAC grant revenue is recorded on an accrual basis, subject to matching terms set out in the agreements. GAC advances received in excess of GAC eligible expenses are recorded as deferred contributions and recognized in the period that the associated costs are incurred.

Foundation grant revenue is recorded on an accrual basis. Foundation grants received in excess of the foundation grant expenses are recorded as deferred contributions and recognized in the period that the associated costs are incurred.

*b) Financial instruments*

Financial assets and financial liabilities originated or exchanged in arm's length transactions are initially recognized at fair value when the Association becomes a party to the contractual provisions of the financial instrument. Financial assets and financial liabilities originated or exchanged in related party transactions, except for those that involve parties whose sole relationship with the Organization is in the capacity of management, are initially recognized at cost.

All financial instruments are subsequently measured at amortized cost except for investments in listed shares which are measured at fair value at the year end date. The fair value of listed equity investments are based on the latest closing price with changes in fair value being recognized in the Statement of Operations.

Transaction costs related to financial instruments subsequently measured at fair value are expensed as incurred. Transaction costs related to other financial instruments are added to the carrying value of the asset or netted against the carrying value of the liability and are then recognized over the expected life of the instrument using the effective interest method. Any premium or discount related to an instrument measured at amortized cost is amortized over the expected life of the item using the effective interest method and recognized in the excess of revenue over expenditures as interest income or expense.

# CANADIAN FOODGRAINS BANK ASSOCIATION INC.

## Notes to the Financial Statements

March 31, 2024

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### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### b) *Financial instruments (continued)*

With respect to financial assets measured at cost or amortized cost, the Organization recognizes an impairment loss, if any, in net earnings when there are indicators of impairment and it determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows. When the extent of impairment of a previously written-down asset decreases and the decrease can be related to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed to net earnings in the period the reversal occurs.

#### c) *Capital assets*

Capital assets are originally recorded at cost and are amortized on the following basis:

Leasehold improvements	Straight-line basis over lease term
Computers	25% Straight-line basis
Furniture and fixtures	10% Straight-line basis
Equipment	20% Straight-line basis
Computer software	100% Straight-line basis

#### d) *Land*

The Association is registered as a title holder of all gifted land. All land received is recorded at its estimated fair value. This estimation of fair value includes a discount, where applicable, to reflect conditions and caveats on any given land title.

#### e) *Reallocation of net assets*

Various amounts of net assets are transferred between member accounts and other equity accounts in accordance with Board approved policy.

#### f) *Foreign currency translation*

Monetary assets and liabilities in foreign currencies have been translated into Canadian dollars at the rate in effect at the balance sheet date with any gain or loss included in income for the year. Revenues and expenses have been translated at the rate in effect on the date of the transaction.

#### g) *Use of estimates*

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of certain assets and liabilities at the date of the financial statements and the reported amounts of certain revenue and expenses during the year. Actual results could differ from those estimates.

# CANADIAN FOODGRAINS BANK ASSOCIATION INC.

## Notes to the Financial Statements

March 31, 2024

### 4. INVESTMENTS

Debt investments represent amounts invested in guaranteed investment certificates, term deposits, fixed rate notes and bonds. Equity investments represent amounts invested in common shares, preferred shares and mutual funds with prices quoted in an active market.

Equity investments are classified as short-term as they are capable of reasonably prompt liquidation. Debt investments are classified as short-term when they are redeemable on demand or have scheduled maturities of 12 months or less.

	<u>2024</u>	<u>2023</u>
<i>Short-term investments</i>		
Equity investments at fair value	\$ 8,071,610	\$ 5,643,479
Debt instruments at amortized cost	3,443,191	8,687,290
	<u>11,514,801</u>	<u>14,330,769</u>
<i>Long-term investments</i>		
Debt instruments at amortized cost	7,711,755	4,360,978
	<u>\$ 19,226,556</u>	<u>\$ 18,691,747</u>

Short-term debt instruments earn interest at rates of 1.30% - 4.50% (2023: 1.10% - 4.65%) per annum and have maturity dates ranging from 30 to 268 days (2023: 70 – 343 days) after March 31, 2024. Long-term investments earn interest at a rate of 0.95% - 5.50% (2023: 0.95% to 4.85%) per annum and have maturity dates ranging from 366 – 2,381 days (2023: 396 – 1,676 days).

### 5. LAND

The Association holds several parcels of farmland. A number of parcels are held as joint title until certain conditions are met at which time the Association will become the sole title holder.

### 6. CAPITAL ASSETS

	<u>2024</u>			<u>2023</u>
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Leasehold improvements	\$ 621,416	\$ 614,969	\$ 6,447	\$ 7,535
Computers	244,280	168,915	75,365	65,782
Furniture and fixtures	144,821	116,203	28,618	34,711
Equipment	163,792	135,032	28,760	24,235
Computer software	757,333	738,735	18,598	17,223
	<u>\$ 1,931,642</u>	<u>\$ 1,773,854</u>	<u>\$ 157,788</u>	<u>\$ 149,486</u>

# CANADIAN FOODGRAINS BANK ASSOCIATION INC.

## Notes to the Financial Statements

March 31, 2024

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### 7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	<u>2024</u>	<u>2023</u>
Trade accounts payable	\$ 140,115	\$ 3,923,190
Other accounts payable and accrued liabilities	7,756,878	1,787,655
	<u>\$ 7,896,993</u>	<u>\$ 5,710,845</u>

Other accounts payable and accrued liabilities includes \$44,176 (2023 - \$40,386) of deposits held in trust for other food security agencies.

### 8. DEFERRED CONTRIBUTIONS

Deferred contributions are comprised of grant amounts received for which project costs have not been allocated against. Deferred amounts as at March 31 are comprised of the following:

	<u>2024</u>	<u>2023</u>
GAC programs		
Institutional support 2021 – 2024 grant	\$ 2,718,484	\$ 6,940,476
Humanitarian, early recovery and development grant	-	3,999,892
Nature positive food systems	10,552,098	7,003,085
Hunger crisis response	578,356	4,925,224
Humanitarian Coalition grant	1,567,875	79,876
Norwegian development fund grant (SCASI)	192,025	31,934
Packard Foundation grant	247,286	21,722
Gates Foundation grant	349,512	94,908
	<u>\$ 16,205,636</u>	<u>\$23,097,117</u>

### 9. COMMITMENTS

The cost to complete the projects currently authorized or in progress at March 31, 2024 is estimated to be \$17,793,184 (2023 - \$25,382,375). These project costs will be funded from net assets, anticipated future donations and GAC contributions.

- a) Under the terms of the GAC institutional support agreement, the Association must spend \$1 of funds raised from the public and members on eligible activities for every \$4 of GAC funding spent on eligible activities as defined in the approved program. As at March 31, 2024, the Association has spent the necessary funds on eligible activities to meet the 4:1 matching requirement for the institutional support agreement (2023 – the Association has met the matching requirements for the grant agreements).

**CANADIAN FOODGRAINS BANK ASSOCIATION INC.**  
**Notes to the Financial Statements**  
**March 31, 2024**

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**9. COMMITMENTS (continued)**

- b) The Association rents premises under an operating lease that expires in 2028. The future lease payments aggregate to \$734,287 (2023 - \$893,074) and include the following amounts payable over the next five years:

2025	\$160,929
2026	158,695
2027	158,695
2028	157,748
2029	98,220

**10. CREDIT FACILITY**

The Association has access to a revolving line of credit with a maximum availability of \$4,000,000 (2023 - \$4,000,000) secured by a general security agreement and bearing interest at prime. As at March 31, 2024, no amounts had been drawn on the facility (2023 – no amounts drawn). The facility also allows the Association to arrange letters of credit from time to time to meet project needs.

**11. INTERNALLY RESTRICTED NET ASSETS**

The Association internally imposes restrictions on a portion of its net assets by restricting the purposes for which the assets may be used. Total internally restricted assets are \$46,285,124 (2023 - \$44,370,963) which are restricted as follows:

- a) Member funds may be used only upon the direction of member agencies.
- b) General fund may be used for food assistance, nutrition, food security and agriculture and livelihood programs as authorized by the executive director or international program director in accordance with policy.
- c) The food security fund may be used under the core GAC grant agreement to fund complementary activities. The policy governing this fund permits the food security fund to be overdrawn up to a specified limit. Any fund deficit will be funded by deposits of member equity at a future date.
- d) The climate adaptation fund may be used to support hunger-affected communities to better adapt to climate change and become more food secure, and may also contribute to climate change mitigation.
- e) Strategic reserve net assets may be used to respond to situations of extraordinary need or strategic importance. All allocations are at the direction of the Executive Committee or Board.
- f) Land reserves include donated assets which may be used at the discretion of the Board.

# CANADIAN FOODGRAINS BANK ASSOCIATION INC.

## Notes to the Financial Statements

March 31, 2024

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### 12. INVESTMENT INCOME

Total investment income represents interest earned and realized gains and losses on investments during the year has been allocated as follows:

	<u>2024</u>	<u>2023</u>
Unrestricted operating reserve	\$ 1,986,764	\$1,222,518
Climate fund	21,028	15,663
	<hr/> 2,007,792	1,238,181
GAC institutional support grant allocation – 2021 - 2024	526,741	453,344
GAC humanitarian, early recovery and development	63,245	189,351
GAC hunger crisis response	122,941	78,672
GAC nature positive food systems	260,230	3,084
Gates Foundation grant allocation	19,765	8,598
Humanitarian Coalition	85,551	11,597
Norwegian Development Fund	3,791	6,630
Adventist Development and Relief Agency equity	-	121,250
	<hr/> \$ 2,979,356	\$ 2,110,707

The income allocation to grants will be recorded as revenue from the grant in the year it is disbursed.

### 13. FINANCIAL INSTRUMENTS

#### Market risk

Market risk is the risk to the Association's income that arises from fluctuations in interest rates, foreign exchange rates and equity prices. The Association is exposed to market risk primarily from its investing activities. The value of the Association's assets is affected by short-term changes in prevailing market interest rates and equity prices.

#### Interest rate risk

Interest rate risk refers to the adverse consequences of interest rate changes in the Association's cash flows, financial position and revenue. The risk arises from differences in the timing and amount of cash flows related to the Association's investments. The Association does not use derivative instruments to reduce exposure to interest risk.

#### Credit risk

Credit risk arises from the potential that a counterparty will fail to perform its obligations. In addition, the Association is exposed to credit risk from its customers.

Accounts receivable are comprised of a number of debtors, which minimizes concentration of credit risk. In addition, short-term investment certificates include government secured investments acquired through major Canadian financial institutions.

**CANADIAN FOODGRAINS BANK ASSOCIATION INC.**  
**Schedule of Operations by Account**  
**Year ended March 31, 2024**

Schedule 1

	Mennonite Central Committee Canada	Canadian Baptist Ministries	The Christian and Missionary Alliance	World Renew	Canadian Lutheran World Relief	Emergency Relief and Development Overseas	The United Church of Canada	Nazarene Compassionate Ministries	Evangelical Missionary Church in Canada	Presbyterian World Service and Development	Adventist Development and Relief Agency	Tearfund Canada
<b>Revenue</b>												
Cash and grain donations	\$ 3,407,181	\$ 425,504	\$ 264,708	\$ 1,182,995	\$ 365,389	\$ 441,727	\$ 1,337,755	\$ 57,266	\$ 114,387	\$ 342,668	\$ 302,683	\$ 551,058
Transfers from members	1,413,754	500,000	50,000	3,700,000	443,158	800,000	23,889	33,375	-	1,040,000	2,437,350	225,000
GAC												
Institutional Support 2021-2024	5,250,444	1,344,640	637,541	6,685,685	1,311,373	2,529,432	106,911	-	-	1,750,104	5,544,402	1,167,750
HERD food assistance	31,635	-	-	35,994	17,621	17,034	8,859	-	-	22,390	172,870	49,186
HERD recovery & development	258,984	-	-	494,402	206,754	361,655	256,101	-	-	359,035	375,372	624,478
Hunger crisis response	282,299	-	-	212,436	570,293	634,467	-	-	-	-	967,832	168,451
Nature positive	651,875	9,300	-	93,981	381,440	-	1,151,288	-	-	-	2,119,509	2,031,651
Humanitarian Coalition	1,857,942	-	-	-	-	663,229	-	-	-	97,878	66,978	-
Foundation grant	1,055	-	-	-	-	-	-	-	-	-	-	-
Norwegian Development Fund (SCASI)	819,880	-	-	-	-	-	-	-	-	-	-	334,756
Interest (Note 12)	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-
	13,975,049	2,279,444	952,249	12,405,493	3,296,028	5,447,544	2,884,803	90,641	114,387	3,612,075	11,986,996	5,152,330
<b>Expenses</b>												
Programs	16,071,632	1,623,939	1,405,312	11,623,257	2,827,201	7,126,223	1,891,785	262,495	-	3,858,606	12,821,704	5,983,225
Operating	-	-	-	-	-	-	-	-	-	-	-	-
Other	337,786	32,393	15,729	246,838	124,537	167,474	149,816	5,242	4	76,845	407,826	279,843
	16,409,418	1,656,332	1,421,041	11,870,095	2,951,738	7,293,697	2,041,601	267,737	4	3,935,451	13,229,530	6,263,068
<b>Other Income</b>												
Unrealized gain on investments	-	-	-	-	-	-	-	-	-	-	-	-
Foreign exchange gain	-	-	-	-	-	-	-	-	-	-	-	-
Loss (gain) on disposal of capital assets and land	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-
Operating surplus (deficit)	(2,434,369)	623,112	(468,792)	535,398	344,290	(1,846,153)	843,202	(177,096)	114,383	(323,376)	(1,242,534)	(1,110,738)
Net assets, beginning of year	5,688,568	1,737,703	1,416,833	8,241,906	1,786,934	3,288,997	2,956,705	212,321	113,522	479,244	2,943,013	1,283,359
Member equity transfers	2,758,528	(136,915)	111,134	114,611	119,735	970,521	(1,006,439)	114,358	(99,218)	292,306	1,351,202	1,242,759
Transfer to Food Security Account	-	(194,847)	-	(83,713)	(96,257)	(33,270)	-	-	-	(13,221)	(338,042)	-
Transfer from Food Security Account	242,087	-	2,815	-	-	-	422,625	-	-	-	-	189,243
Net assets, end of year	\$ 6,254,814	\$ 2,029,053	\$ 1,061,990	\$ 8,808,202	\$ 2,154,702	\$ 2,380,095	\$ 3,216,093	\$ 149,583	\$ 128,687	\$ 434,953	\$ 2,713,639	\$ 1,604,623



**CANADIAN FOODGRAINS BANK ASSOCIATION INC.**  
**Schedule of Operations by Account**  
**Year ended March 31, 2024**

Schedule 1

	The Salvation Army	Primate's World Relief & Development	Development & Peace	Member Subtotal	General Fund	Food Security	Climate Adaptation Fund	Strategic Reserve	Land Reserves	Invested in Capital Assets	Unrestricted Operating Reserve	Total
<b>Revenue</b>												
Cash and grain donations	\$ 90,393	\$ 167,297	\$ 280,571	\$ 9,331,582	\$ 9,534,795	\$ -	\$ 15,907	\$ -	\$ -	\$ -	\$ -	\$ 18,882,284
Transfers from members	90,500	450,000	100,000	11,307,026	-	-	-	-	-	-	-	11,307,026
<b>GAC</b>												
Institutional Support 2021-2024	-	667,792	459,117	27,455,191	-	-	-	-	-	-	2,293,542	29,748,733
HERD food assistance	-	(62,140)	-	293,449	-	-	-	-	-	-	173,636	467,085
HERD recovery & development	-	271,983	-	3,208,764	-	-	-	-	-	-	387,289	3,596,053
Hunger crisis response	-	644,700	885,381	4,365,859	-	-	-	-	-	-	103,950	4,469,809
Nature positive	-	644,547	-	7,083,591	-	-	-	-	-	-	1,627,626	8,711,217
Humanitarian Coalition	-	-	926,136	3,612,163	-	-	-	-	-	-	122,732	3,734,895
Foundation grant	-	-	-	1,055	-	-	-	-	-	-	483,860	484,915
Norwegian Development Fund (SCASI)	-	-	-	1,154,636	-	-	-	-	-	-	357,181	1,511,817
Interest (Note 12)	-	-	-	-	-	-	21,028	-	-	-	1,986,764	2,007,792
Other	-	-	-	-	43,771	-	-	-	-	-	184,526	228,297
	180,893	2,784,179	2,651,205	67,813,316	9,578,566	-	36,935	-	-	-	7,721,106	85,149,923
<b>Expenses</b>												
Programs	380,941	2,583,634	2,855,725	71,315,679	-	-	-	-	-	-	848,054	72,163,733
Operating	-	-	-	-	-	-	-	-	-	-	8,949,153	8,949,153
Other	7,617	140,646	121,758	2,114,354	78	-	(3)	-	-	-	8	2,114,437
	388,558	2,724,280	2,977,483	73,430,033	78	-	(3)	-	-	-	9,797,215	83,227,323
<b>Other Income (Expenses)</b>												
Unrealized gain on investments	-	-	-	-	-	-	-	-	-	-	631,844	631,844
Foreign exchange gain	-	-	-	-	-	-	-	-	-	-	1,047	1,047
(Loss) gain on disposal of capital assets and land	-	-	-	-	-	-	-	-	-	-	(1,183)	(1,183)
	-	-	-	-	-	-	-	-	-	-	631,708	631,708
Operating surplus (deficit)	(207,665)	59,899	(326,278)	(5,616,717)	9,578,488	-	36,938	-	-	-	(1,444,401)	2,554,308
Net assets, beginning of year	439,847	639,463	548,150	31,776,565	6,837,231	176,733	49,785	2,789,416	2,741,233	149,486	7,907,253	52,427,702
Member equity transfers	125,529	126,245	973,424	7,057,780	(9,196,800)	-	(1,915)	-	-	8,302	2,132,633	-
Investment in land	-	-	-	-	-	-	-	-	56,387	-	(56,387)	-
Transfer to Food Security Account	-	-	(92,502)	(851,852)	-	851,852	-	-	-	-	-	-
Transfer from Food Security Account	43,420	3,947	-	904,137	-	(904,137)	-	-	-	-	-	-
<b>Net assets, end of year</b>	<b>\$ 401,131</b>	<b>\$ 829,554</b>	<b>\$ 1,102,794</b>	<b>\$ 33,269,913</b>	<b>\$ 7,218,919</b>	<b>\$ 124,448</b>	<b>\$ 84,808</b>	<b>\$ 2,789,416</b>	<b>\$ 2,797,620</b>	<b>\$ 157,788</b>	<b>\$ 8,539,098</b>	<b>\$ 54,982,010</b>

**CANADIAN FOODGRAINS BANK ASSOCIATION INC.**  
**Schedule of International Program**  
**Management Expenses**  
**Year ended March 31, 2024**

	<u>2024</u>	<u>2023</u>
Salaries and benefits	\$ 2,451,822	\$ 1,905,932
Materials development and video	6,050	-
Telecommunications	6,240	-
Consultants	212,554	42,662
Travel and delegations	199,274	110,863
Project financial reviews	93,898	51,989
Workshops and seminars	101,986	94,447
Program evaluation	-	1,431
Amortization	56,428	27,924
Software licenses	62,405	19,991
Other	91,991	35,692
	<u>\$ 3,282,648</u>	<u>\$ 2,290,931</u>

**CANADIAN FOODGRAINS BANK ASSOCIATION INC.**  
**Schedule of Public Policy Expenses**  
**Year ended March 31, 2024**

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	<u>2024</u>	<u>2023</u>
Salaries and benefits	<b>\$ 657,819</b>	651,784
Consultants	<b>35,314</b>	31,879
Travel	<b>36,991</b>	69,585
Workshops, meetings and events	<b>25,188</b>	58,940
Coalitions and policy work	<b>21,370</b>	35,973
Communication materials	<b>11,683</b>	11,722
Other	<b>22,277</b>	23,878
	<b>\$ 810,642</b>	<b>\$ 883,761</b>

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**CANADIAN FOODGRAINS BANK ASSOCIATION INC.**  
**Schedule of Public Engagement Expenses**  
**Year ended March 31, 2024**

	<u>2024</u>	<u>2023</u>
Salaries and benefits	\$ 196,109	\$ 169,516
Communication materials	5,495	15,661
Consultants	19,859	1,538
People to people program	9,956	-
Study tours	107,105	-
Workshops, meetings and events	22,592	12,391
Travel	8,506	8,662
Other	2,662	1,659
	<u>\$ 372,284</u>	<u>\$ 209,427</u>

**CANADIAN FOODGRAINS BANK ASSOCIATION INC.**  
**Schedule of Resource Gathering and**  
**Communications Expenses**  
**Year ended March 31, 2024**

	<u>2024</u>	<u>2023</u>
Salaries and benefits	\$ 1,275,099	\$ 1,109,955
Travel and regional expenses	206,317	198,524
Communications and advertising	231,301	249,429
Consultants	60,881	86,001
Workshops, meeting and events	33,604	35,311
Postage and courier	10,345	18,385
Amortization	51	914
Equipment and repairs	70,843	23,627
Other	171,769	232,840
	<b>\$ 2,060,210</b>	<b>\$ 1,954,986</b>

**CANADIAN FOODGRAINS BANK ASSOCIATION INC.**  
**Schedule of Administration Expenses**  
**Year ended March 31, 2024**

	<u>2024</u>	<u>2023</u>
Directors' meetings	\$ 108,793	\$ 139,783
Salaries and benefits	1,428,448	1,051,118
Consultants	51,108	56,138
Audit and legal	53,552	41,491
Insurance	62,428	48,551
Office rent	156,591	148,902
Office supplies	25,361	21,909
Postage and courier	16,284	14,220
Telecommunications	8,663	7,877
Equipment repairs, service & licenses	113,452	84,967
Training	47,367	31,783
Travel	53,674	45,165
Amortization	53,651	48,391
Membership fees	64,802	52,291
Other	179,195	99,587
	<u>\$ 2,423,369</u>	<u>\$ 1,892,173</u>